Online Education Leader Spends Smarter to Fuel Growth in Uncertain Times

Skillsoft is a leading provider of high-quality, cloud-based learning and performance support resources. To fuel its innovation and global expansion in a competitive marketplace while signs of economic uncertainty loomed, Skillsoft needed to find ways to get more value from its spend and scale the finance team as the company grew. Skillsoft executives turned to procurement leader Gary Holloran, who was brought in to develop a vision and plan to achieve these business-critical goals.

The Challenge: Confronting Old-School Procurement and Finance Practices

Skillsoft’s CFO had a strong sense that the organization’s one-off and siloed, departmental purchases meant they weren’t getting the best return on their company spend. The company needed a strong procurement organization to not only consolidate spend and negotiate buying terms, but also create a new culture of strategic purchasing throughout the business that stresses fiscal responsibility and closed-loop processes.

Gary’s first major challenges were to:

• Build company-wide procurement processes that were agile and worked across various business functions

• Identify ways for every leader to capture more value from their budgets

• Give executives better visibility into spend for planning and decision making

Another set of challenges involved updating Skillsoft’s Accounts Payable practices:

• AP was mired in paper invoices and manual steps, where many invoices weren’t backed by POs

• Staff spent majority of their time on administrative work, determining whether goods and services were received, hunting down approvals, assigning GL codes, and posting accruals

• Many high-cost purchases lacked pre-approval against budgets, making it difficult for finance to close the books and complete periodic reporting without a tremendous amount of extra legwork
Previously, our manual procure-to-pay processes meant we weren’t getting the most value from our spend — and weren’t setting ourselves up to grow responsibly.

This manual invoice processing decoupled from upfront procurement steps meant that AP would require investment in additional staff in order for the business to scale.

On top of this, plugging holes in invoice processing left no time and energy to look strategically at where funds were being spent:

- What was being bought?
- Was it really needed?
- Did it align with the strategic goals of the company?
- Where should the company invest?

Finance and procurement didn’t have the time to work together to reconfigure the supply base in order to drive efficiencies and more value from spend.

Other ineffective approaches also plagued business practices. The organization attempted to use their ERP system for procurement, but heavily customized configurations and workflows and an archaic purchasing experience resulted in frustration and long requisition cycle times that made it hard for employees to get what they needed. So circumventing the system and processes became commonplace, and making any changes required business applications involvement, yet another source of delay.

New Approach: “New-School” Spend Management in Just a Matter of Months

Gary knew that in order to gain greater visibility and value from spend and to streamline back-office processing, Skillsoft needed a modern spend management platform, one that would ensure policy compliance, while automating the repetitive, administrative work that the Procurement and AP teams were saddled with. The clear choice to meet all of these challenges was Coupa. Despite employees’ early resistance to change and their hesitation to transition to a digital process, they were soon delighted to find that:

- Coupa’s modern, consumer-like shopping experience is easy to use and guides purchasers to approved vendors without the hassle of having to identify suppliers and request quotes
- Budget visibility while purchasing enables responsible spending and prevents overruns
- Managers and executives at any level now make fast yet informed approval decisions, all through their mobile devices and without ever needing to leave their email inbox
- Low-level AP invoice processing work is now automated, and GL codes are now automatically assigned up front in the purchase process through Coupa, not after the fact by AP and procurement, who previously were manually coding invoices when received
- All non-standard payment terms previously approved by the CFO via email are now captured in Coupa in the context of each transaction, saving time and providing a single location for all communications relevant to a given purchase
Within months of implementation, Gary saw a major shift in employee sentiment while gaining kudos from executives who now have full visibility to where spend is happening before it is committed and where there is opportunity to gain more value through strategic suppliers and economies of scale.

**Getting to the Next Level: Further Optimizing Spend Processes for Efficiency and Savings**

Procurement and the Skillsoft organization now have the speed, flexibility, and visibility they need. With a single center for procurement, every Skillsoft location around the world can now easily purchase from the right suppliers and more effectively manage spend. Gary’s team can modify procurement processes as needed, without having to wait for IT support.

Management is also using data creatively—to review approval processes and address questions about where and when approvers are needed. Gary was able to show that 30% of requisitions were for purchases under $500 and equated to only .02% of their spend. With this insight, executives decided to enable self-approvals for requisitions of less than $500, so that the business can move faster and managers aren’t saddled with approvals when oversight isn’t really required. Conversely, they saw that the top 5% of requisitions constituted 63% of spend, and they decided that these would need a business case prior to approval.

With greater visibility to spend, Procurement was now able to leverage reporting capabilities to help consolidate suppliers, particularly for larger spend categories. Analyzing the top five commodities of spend provided insights to help answer key questions: Were there too many suppliers? Could they consolidate budgets?

With Coupa, Procurement saw the opportunity to consolidate the spend for Marketing Promotional Items. With these new insights and the power of the Coupa community and Coupa Advantage, the marketing organization has now consolidated their promotional spend and are achieving 25% cost savings so that they’re realizing more value and reaching more customers for every dollar spent. Additionally, spend visibility highlighted another clear opportunity for spend optimization. Creating a standardized IT package for new hires to replace the wide variety of laptops and peripherals previously purchased by every functional area was a clear win for the business in terms of not only achieving more value from IT spend, but also making it faster and easier for the IT team to support new hires as they onboarded.

**An Unanticipated Challenge: Maintaining Business Continuity During Times of Uncertainty**

In the face of COVID-19, Skillsoft’s CFO and Gary reviewed their business continuity plan as the company readied for every employee to work from home. Given that Coupa is a SaaS platform and every employee can access it remotely, no additional action was required for the switch to remote status. Employees continued to perform their jobs away from the office without disruption.

In addition, Skillsoft leveraged Coupa to communicate broadly to their supply base in order to request business continuity plans and perform risk analysis on suppliers, especially in key areas of spend. The ability to transact completely electronically with suppliers to place orders, accept and process invoices, and more, minimized supply chain disruptions to keep the business running smoothly during times of uncertainty.

“Our 7-digit savings are fueling our growth, providing greater reinvestment into new Educational Content and Courseware and propelling our market expansion.”
Spending Smarter to Grow Smarter

Skillsoft has felt the benefits of Coupa business-wide by:

- Gaining full visibility and increased value from their spend
- Improving financial planning
- Automating invoice management to help the finance team scale

Coupa has helped the procurement team establish a new culture around purchasing and build credibility with the broader organization. Much-needed spend data and real-time analytics allow for fact-based conversations with internal stakeholders and provide a more strategic lens from which to achieve a greater return on investments.

Managers can now see exactly what is being spent per category, enabling finer-grained budgeting and financial planning and analysis.

Through the power of the Coupa Business Spend Management Platform and Gary’s leadership, Skillsoft is achieving new savings targets in the millions of dollars. In turn, these new savings are fueling Skillsoft’s growth, providing greater reinvestment into new Educational Content and Courseware and into marketing to propel market expansion.

“With Coupa, we achieved $100M+ in spend visibility in a matter of months, and are now saving 25%+ on key categories like Marketing Promotional Spend.”

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